

SEC  
Mail Processing  
Section

FEB 28 2012

Washington, DC  
125



12010114

ES  
SE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0123  
Expires: April 30, 2013  
Estimated average burden  
hours per response... 12.00

SEC FILE NUMBER

8-65552

ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 1/1/11 AND ENDING 12/31/11  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Global Hunter Securities, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY  
123003  
FIRM ID. NO.

400 Poydras St., Suite 3100

(No. and Street)

New Orleans

LA

70130

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Mary Johnson

504-527-0333

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

LaPorte, Sehrt, Romig & Hand

(Name- if individual, state last, first, middle name)

5100 Village Walk, Suite 300

Covington

LA

70433

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

Sec 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

AB  
3/14

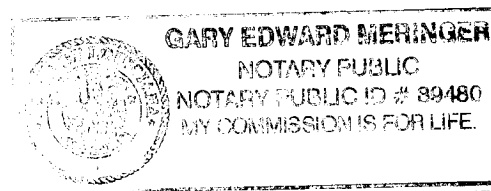
## OATH OR AFFIRMATION

I, Daniel O. Conwill, IV, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Global Hunter Securities, LLC as of December 31, 2011, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
CEO  
Title

\_\_\_\_\_  
Notary Public



This report\*\* contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Cash Flows.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information relating to the Possession or control Requirements Under Rule 15c3-3.
- ☒ (j) A reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☒ (k) A reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☒ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**GLOBAL HUNTER SECURITIES, LLC**

Audit of Financial Statements

December 31, 2011

## Contents

---

<b>Independent Auditor's Report</b>	<b>1</b>
-------------------------------------	----------

---

### **Financial Statements**

Statement of Financial Condition	2
Statement of Income	3
Statement of Changes in Member's Equity	4
Statement of Changes in Liabilities Subordinated to Claims of General Creditors	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 13

---

### **Supplementary Information**

Schedule I - Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	14
Schedule II - Computation for Determination of Reserve Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	15
Schedule III - Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	15
Schedule IV - Schedule of Segregation Requirements and Funds in Segregation for Customers' Regulated Commodity Futures and Options Accounts	15

---

<b>Independent Auditor's Report on Internal Control</b>	<b>16 - 17</b>
---	----------------

---

<b>Independent Accountant's Report on Applying Agreed-Upon Procedures</b>	<b>18 - 19</b>
---	----------------



LaPorte, APAC  
5100 Village Walk | Suite 300  
Covington, LA 70433  
985.892.5850 | Fax 985.892.5956  
LaPorte.com

## Independent Auditor's Report

To the Member  
Global Hunter Securities, LLC

We have audited the accompanying statement of financial condition of Global Hunter Securities, LLC (the Company) as of December 31, 2011, and the related statements of income, changes in member's equity, changes in liabilities subordinated to claims of general creditors, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Hunter Securities, LLC as of December 31, 2011, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information contained in Schedules I, II, III, and IV required by Rule 17a-5 under the Securities Exchange Act of 1934 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A Professional Accounting Corporation

Covington, LA  
February 18, 2012

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

An Independently Owned Member, McGladrey Alliance

The McGladrey Alliance is a premier affiliation of independent accounting and consulting firms. The McGladrey Alliance member firms maintain their name, autonomy and independence and are responsible for their own client fee arrangements, delivery of services and maintenance of client relationships.

**GLOBAL HUNTER SECURITIES, LLC**  
**Statement of Financial Condition**  
**December 31, 2011**

<b>Assets</b>	
Cash and Cash Equivalents	\$ 15,236,158
Deposit with Clearing Organization	500,000
Receivable from Brokers or Dealers	466,067
Restricted Cash	1,525,057
Accounts Receivable	817,078
Advances to Employees	1,503,869
Securities Readily Marketable, at Estimated Fair Value	19,182
Securities Not Readily Marketable, at Estimated Fair Value	3,336,323
Receivable from Affiliates	85,040
Furniture and Equipment, at Cost, Less Accumulated Depreciation of \$733,215	1,927,420
Other Assets	<u>1,460,376</u>
<b>Total Assets</b>	<b><u>\$ 26,876,570</u></b>
 <b>Liabilities and Member's Equity</b>	
<b>Liabilities</b>	
Accounts Payable and Accrued Expenses	\$ 1,756,905
Other Deposits	<u>34,752</u>
<b>Total Liabilities</b>	<b>1,791,657</b>
<b>Member's Equity</b>	<b><u>25,084,913</u></b>
 <b>Total Liabilities and Member's Equity</b>	 <b><u>\$ 26,876,570</u></b>

The accompanying notes are an integral part of these financial statements.

**GLOBAL HUNTER SECURITIES, LLC**  
**Statement of Income**  
**For the Year Ended December 31, 2011**

---

**Revenues**

Investment Banking	\$ 28,494,812
Commissions	10,016,246
Realized and Unrealized Gains on Investments	1,731,193
Other Income	<u>1,063,827</u>

<b>Total Revenues</b>	<u><u>41,306,078</u></u>
-----------------------	--------------------------

**Expenses**

Salaries, Commissions, and Employee Benefits	26,917,070
Communications and Data Processing	2,697,644
Occupancy	1,640,255
Trading and Clearing Costs	593,455
Interest and Dividend Expense	12,038
Other Operating Expenses	<u>6,350,681</u>

<b>Total Expenses</b>	<u><u>38,211,143</u></u>
-----------------------	--------------------------

<b>Net Income</b>	<u><u>\$ 3,094,935</u></u>
-------------------	----------------------------

The accompanying notes are an integral part of these financial statements.

**GLOBAL HUNTER SECURITIES, LLC**  
**Statement of Changes in Member's Equity**  
**For the Year Ended December 31, 2011**

<b>BALANCE - DECEMBER 31, 2010</b>	<b>\$ 8,610,545</b>
Net Income for the Year 2011	3,094,935
Contributions from Member	15,000,000
Distributions to Member	<u>(1,620,567)</u>
<b>BALANCE - DECEMBER 31, 2011</b>	<b><u>\$ 25,084,913</u></b>

The accompanying notes are an integral part of these financial statements.



**GLOBAL HUNTER SECURITIES, LLC**  
**Statement of Changes in Liabilities**  
**Subordinated to Claims of General Creditors**  
**For the Year Ended December 31, 2011**

<b>Subordinated Liabilities - Beginning of Year</b>	<b>\$ -</b>
Increases	
Issuance of Subordinated Notes	2,000,000
Decreases	
Payment of Subordinated Notes	<u>(2,000,000)</u>
<b>Subordinated Liabilities - End of Year</b>	<b><u>\$ -</u></b>

The accompanying notes are an integral part of these financial statements.

**GLOBAL HUNTER SECURITIES, LLC**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2011**

<b>Cash Flows from Operating Activities</b>	
Net Income	\$ 3,094,935
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Depreciation	364,374
(Increase) Decrease in:	
Deposit with Clearing Organization	(400,000)
Receivable from Brokers or Dealers	(114,616)
Restricted Cash	(1,500,057)
Accounts Receivable	624,187
Advances to Employees	1,040,010
Securities Readily Marketable	4,635,163
Securities Not Readily Marketable	(3,204,946)
Receivable from Affiliates	(85,040)
Other Assets	(222,974)
Increase (Decrease) in:	
Accounts Payable and Other Liabilities	100,960
Payable to Brokers or Dealers	(3,389,090)
Other Deposits	(635,648)
<b>Net Cash Provided by Operating Activities</b>	<b>307,258</b>
<b>Cash Flows from Investing Activities</b>	
Purchases of Furniture and Equipment	(1,292,621)
<b>Net Cash Used in Investing Activities</b>	<b>(1,292,621)</b>
<b>Cash Flows from Financing Activities</b>	
Proceeds from Subordinated Debt	2,000,000
Repayment of Subordinated Debt	(2,000,000)
Distributions to Members	(1,620,567)
Contributions from Members	15,000,000
<b>Net Cash Provided by Financing Activities</b>	<b>13,379,433</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>12,394,070</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>2,842,088</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 15,236,158</b>
<b>Supplemental Disclosure of Cash Flow Information</b>	
Interest Paid	\$ 10,889

The accompanying notes are an integral part of these financial statements.

# GLOBAL HUNTER SECURITIES, LLC

## Notes to Financial Statements

---

### Note 1. Summary of Significant Accounting Policies

#### **Business of the Company**

Global Hunter Securities, LLC (the Company), is registered as a broker/dealer with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. The Company is an international investment banking and institutional services firm. The Company is a non-clearing broker and, as such, has an agreement with a third-party clearing organization to carry and clear its customers' margin, cash accounts, and transactions on a fully-disclosed basis.

The Company is a New York Limited Liability Company that is a wholly-owned subsidiary of GHS HC, LLC (Parent).

#### **Furniture and Equipment**

Furniture and equipment are stated at cost, less accumulated depreciation computed on the straight-line method over the estimated useful lives of the assets. Depreciation charged to operations amounted to \$364,374 for the year ended December 31, 2011.

#### **Income Taxes**

The Company is a partnership for income tax purposes. Under this election, taxable income or loss of the Company is included in the tax returns of its member.

#### **Revenue Recognition**

Investment banking revenues include fees from securities offerings in which the Company acts as an agent. Investment banking revenues also include fees earned from providing merger and acquisition and financial advisory services. Investment banking fees are recorded on the settlement date basis.

Securities transactions and related commission revenues and expenses are recorded and recognized on the trade date basis as securities transactions occur. Securities owned, held at clearing broker and securities sold, not yet purchased, are valued at market with related unrealized gains and losses included in income.

#### **Investment Securities**

Marketable securities are valued at market value and securities not readily marketable are valued at fair value as determined by Management. The resulting difference between cost and market (or fair value) is included in income.

#### **Receivable from and Payable to Brokers or Dealers**

Accounts receivable from brokers or dealers represents uncollected commissions and fees due from other brokers.

Payables to brokers or dealers represent open contractual commitments due to other brokers.

Notes to Financial Statements

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

**Accounts Receivable**

Accounts receivable are carried at original invoice amount. Management determines if an allowance for doubtful accounts is necessary by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions. At December 31, 2011, there was no allowance for doubtful accounts.

**Goodwill**

In May 2010, the Company's parent acquired membership control by exchanging membership interest in the Company, for equal membership interest in the parent, at historical cost basis. As part of the transaction, 14.5% of the minority interests were repurchased at estimated fair value, resulting in goodwill of \$1,015,407.

In accordance with the *Intangibles-Goodwill and Other* Topic of the Financial Accounting Standards Board Accounting Standards Codification, the amortization of goodwill is prohibited, but it requires that goodwill be tested for impairment at least annually. If goodwill is impaired, an impairment loss will be recognized and charged against earnings in the year in which the goodwill becomes impaired. There was no impairment as of December 31, 2011.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2. Securities and Fair Value Measurement**

Securities readily marketable as of December 31, 2011, consist of stocks and warrants with an estimated fair value totaling \$19,182.

Securities not readily marketable as of December 31, 2011, consist of stocks and warrants with an estimated fair value totaling \$3,336,323.

**Note 2. Securities and Fair Value Measurement (Continued)**

Generally accepted accounting principles define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 - Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments included in Level 1 include listed equity and debt securities.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include less liquid and restricted equity securities and over-the-counter derivatives.

Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. Investments that are included in this category generally include general and limited partnership interests in corporate private equity funds, and funds of hedge funds.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The preceding methods described may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used during the year ended December 31, 2011.

## GLOBAL HUNTER SECURITIES, LLC

### Notes to Financial Statements

---

#### Note 2. Securities and Fair Value Measurement (Continued)

The valuation of the Company's investments by the above fair value hierarchy at December 31, 2011, is as follows:

	Total	Level 1	Level 2	Level 3
<b>Assets</b>				
Securities Readily				
Marketable -				
Stocks and Warrants	\$ 19,182	\$ 19,182	\$ -	\$ -
Securities Not Readily				
Marketable -				
Stocks and Warrants	3,336,323	49,184	3,287,139	-
<b>Total</b>	<b>\$ 3,355,505</b>	<b>\$ 68,366</b>	<b>\$ 3,287,139</b>	<b>\$ -</b>

#### 3. Concentrations of Credit Risk

The Company periodically maintains cash in bank accounts in excess of federally insured limits. The Company has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

Two of the Company's customers made up 32% of total revenue for the year ended December 31, 2011.

#### Note 4. Agreement with Clearing Organization

The Company utilizes Merrill Lynch as its clearing broker. Terms of the agreement with the clearing organization call for the Company to maintain compensating balances of \$500,000. At December 31, 2011, \$500,000 of cash is restricted for that purpose. In addition, terms of the agreement require the Company to maintain net capital equal to the greater of the amount required by the SEC net capital rules applicable to a correspondent introducing broker or \$100,000 adjusted for net capital required for market making activity. At December 31, 2011, the Company had net capital of \$14,416,818 which was \$14,294,318 in excess of its required net capital of \$122,500.

## GLOBAL HUNTER SECURITIES, LLC

### Notes to Financial Statements

---

#### Note 5. Employee Contracts and Commitments

The Company has employment agreements with several employees that require set salaries, bonuses, or semi-monthly advance payments to the employees. In addition, certain employees have bonus commitments that are contingent upon completion of certain employment dates. Employee advances are to be repaid from commissions earned during the term of the contract, or subsequent to the expiration. Employee advances are unsecured and have no set interest rate or maturity dates.

These compensation commitments expire as follows:

<b>Years Ending December 31,</b>	<b>Amount</b>
2012	\$ 1,086,806
2013	<u>180,556</u>
<b>Total</b>	<b><u>\$ 1,267,362</u></b>

#### Note 6. Income Taxes

The Company accounts for income taxes in accordance with the provisions of the Income Taxes Topic of the FASB Accounting Standards Codification (ASC 740). ASC 740 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on various related matters such as derecognition, interest, penalties and disclosures required. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

As stated in Note 1, taxable income or loss of the Company is included in the tax return of its member. The Company files a U.S. federal income tax return and state income tax returns in several jurisdictions. Returns filed in these jurisdictions for tax years ended on or after December 31, 2008 are subject to examination by the relevant taxing authorities. The Company is not currently under examination by any taxing authority.

As of December 31, 2011, the Company had no uncertain tax positions.

## GLOBAL HUNTER SECURITIES, LLC

### Notes to Financial Statements

---

#### Note 7. Commitments and Contingencies

The Company leases office space under operating leases with varying expirations through December 2020. In addition, the Company is the guarantor on several leases of an affiliate. Future minimum lease payments and guaranteed lease payments under these operating leases are as follows:

2012	\$ 1,438,692
2013	1,371,246
2014	1,245,965
2015	1,125,401
2016	1,110,804
Thereafter	<u>4,376,887</u>
<b>Total</b>	<b><u>\$ 10,668,995</u></b>

Rent expense for office space and equipment, totaled \$1,477,138 for the year ended December 31, 2011.

#### Letter of Credit

The Company has a letter of credit, issued from its bank, securing one of its office leases. The Company has pledged a certificate of deposit totaling \$25,000 as collateral for the letter of credit. The certificate of deposit is being held by the bank, and thus is shown as restricted cash on the statement of financial condition.

#### Guarantees

The Company has an irrevocable demand letter of credit with a local bank securing the office lease of one of its affiliates. The Company has a commercial guarantee, and a note payable held as collateral for this letter of credit in the amount of \$387,436. As of December 31, 2011, there were no funds drawn on this promissory note.

The Company has entered into a control agreement and pledge of a security interest in one of its accounts at a bank in the amount of \$1,500,000, to secure a loan of one of the partners of its parent company. The security interest expires on October 19, 2013. The funds are invested in a money market account held by the bank, and thus are shown as restricted cash on the statement of financial condition.

#### Note 8. Subordinated Borrowings

During 2011, the Company obtained an unsecured loan from a bank totaling \$2,000,000, bearing interest at seven percent, that matured in June 2011. There were no outstanding borrowings at December 31, 2011.

The subordinated borrowings are available in computing net capital under the SEC's Uniform Net Capital Rule. To the extent that such borrowings are required for the Company's continued compliance with minimum net capital requirements, they may not be repaid.



**Note 9. Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2011, the Company had net capital of \$14,416,818, which was \$14,294,318 in excess of its required net capital of \$122,500. The Company's Aggregate Indebtedness to Net Capital ratio was 0.1 to 1 at December 31, 2011.

**Note 10. Foreign Exchange**

The Company maintains some of its operations in Hong Kong, China. Accordingly, the Company is subject to the inherent risks associated with foreign exchange rate movements. The financial position and results of operations of the Company are measured using the local currency as the functional currency. Foreign currency denominated assets and liabilities are translated into U.S. dollars at the exchange rate existing at the balance sheet date, and income and expense items are translated at the exchange rate existing at the transaction date.

**Note 11. Subsequent Event**

FASB ASC Topic 855, *Subsequent Events* establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. Specifically, it sets forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date.

In accordance with ASC 855, the Company evaluated subsequent events through February 18, 2012, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

**GLOBAL HUNTER SECURITIES, LLC**  
**Supplementary Information**

**Schedule I**  
**Computation of Net Capital Under Rule 15c3-1 of**  
**The Securities and Exchange Commission**  
**For the Year Ended December 31, 2011**

<b>Net Capital</b>	
Total Member's Equity	\$ 25,084,913
Deductions and/or Charges	
Securities Not Readily Marketable	(3,336,323)
Receivables from Affiliates	(85,040)
Furniture and Equipment	(1,927,420)
Accounts Receivable	(817,078)
Advances to Members and Employees	(1,503,869)
Other Assets	(2,985,433)
Other Deductions	<u>(10,055)</u>
Net Capital Before Haircuts on Securities Positions	14,419,695
Haircuts on Securities	<u>2,877</u>
Net Capital	<u><u>\$ 14,416,818</u></u>
Aggregate Indebtedness	<u><u>\$ 1,791,657</u></u>
<b>Computation of Basic Net Capital Requirement</b>	
Minimum Net Capital Required	<u><u>\$ 122,500</u></u>
Excess of Net Capital	<u><u>\$ 14,294,318</u></u>
Excess Net Capital at 1000%	<u><u>\$ 14,237,652</u></u>
Ratio: Aggregate Indebtedness to Net Capital	<u><u>0.1 to 1</u></u>
<b>Reconciliation with Company's Computation</b>	
(Included in Part II of Form X-17A-5 as of December 31)	
Net Capital, as Reported in Company's Part II (Unaudited) FOCUS Report	<u><u>\$ 14,416,818</u></u>
Net Capital Per Above	<u><u>\$ 14,416,818</u></u>

**GLOBAL HUNTER SECURITIES, LLC**  
**Supplementary Information**

**Schedule II**  
**Computation for Determination of Reserve**  
**Requirements under Rule 15c3-3 of the**  
**Securities and Exchange Commission**

Global Hunter Securities, LLC is exempt from the reserve requirements and the related computations for the determination thereof under paragraph k(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934, as Global Hunter Securities, LLC carries no margin accounts in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to customers.

During the year ended December 31, 2011, Global Hunter Securities, LLC has maintained its compliance with the conditions for exemption specified in paragraph k(2)(ii) of Rule 15c3-3.

**Schedule III**  
**Information Relating to Possession or Control**  
**Requirements under Rule 15c3-3 of the**  
**Securities and Exchange Commission**

Global Hunter Securities, LLC is exempt from the reserve requirements and the related computations for the determination thereof under paragraph k(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934, as Global Hunter Securities, LLC carries no margin accounts in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to customers.

During the year ended December 31, 2011, Global Hunter Securities, LLC has maintained its compliance with the conditions for exemption specified in paragraph k(2)(ii) of Rule 15c3-3.

**Schedule IV**  
**Schedule of Segregation Requirements**  
**and Funds in Segregation for Customers' Regulated**  
**Commodity Futures and Options Accounts**

Global Hunter Securities, LLC is exempt from the reserve requirements and the related computations for the determination thereof under paragraph k(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934, as Global Hunter Securities, LLC carries no margin accounts in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to customers.

During the year ended December 31, 2011, Global Hunter Securities, LLC has maintained its compliance with the conditions for exemption specified in paragraph k(2)(ii) of Rule 15c3-3.

## **Independent Auditor's Report on Internal Control**

To the Members  
Global Hunter Securities, LLC

In planning and performing our audit of the financial statements of Global Hunter Securities, LLC (the Company) as of and for the year ended December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's previously mentioned objectives.

Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses and therefore, there can be no assurance that all material weaknesses have been identified. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined previously.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2011, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, shareholders, management, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the New York Stock Exchange and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



A Professional Accounting Corporation

Covington, LA  
February 18, 2012

## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the Board of Directors  
Global Hunter Securities, LLC

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the Schedule of Assessment and Payments on Form SIPC-7 to the Securities Investor Protection Corporation (SIPC) for the period from January 1, 2011, to December 31, 2011, which were agreed to by Global Hunter Securities, LLC (the Company), the Securities and Exchange Commission, the Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2011 with the amounts reported in Form SIPC-7 for the period from January 1, 2011 to December 31, 2011, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;

4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be, and should not be, used by anyone other than these specified parties.



A Professional Accounting Corporation

Covington, LA  
February 18, 2012